

EXHIBIT A

DESIGNATION OF WINNING BID AND BACK-UP BIDS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:

**LIMETREE BAY SERVICES, LLC, *et al.*,⁴
Debtors.**

CHAPTER 11

**CASE NO.: 21-32351 (DRJ)
(Jointly Administered)**

DESIGNATION OF WINNING BID AND BACK-UP BIDS

Limetree Bay Services, LLC and its debtor affiliates (collectively, the “**Debtors**”) hereby designate the Winning Bid and Back-up Bids, as provided herein, in accordance with the *Order Granting Debtors’ Emergency Motion for Entry of Order: (I) Establishing Bidding and Sale Procedures; (II) Approving the Sale of Assets; and (III) Granting Related Relief* [Doc. No. 392] (the “**Bid Procedures Order**”) and Paragraph 28 of the Bidding Procedures attached thereto as Appendix A (the “**Bidding Procedures**”).⁵

I. Summary of Winning Bid

St. Croix Energy, LLLP (“**St. Croix**”) is the Winning Bidder.

The St. Croix transaction is structured as an asset sale with an expected continuation of the business operations as a going concern upon SCE retaining the requisite personnel and securing certain authorizations during the transition period. The following is a summary of the principal terms of the Winning Bid, a copy of which is attached to the accompanying notice as Exhibit B (the “**APA**”)⁶ and incorporated herein by reference:

Purchased Assets.

Substantially all assets of the Debtors, as identified in Sections 1.1 and 1.2 of the APA, exclusive of Excluded Assets. The sale shall be free and clear of any interests in the Purchased Assets pursuant to Section 363(f) of the Bankruptcy Code on an “as is, where is” basis, without

⁴ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Limetree Bay Services, LLC (1866); Limetree Bay Refining Holdings, LLC (1776); Limetree Bay Refining Holdings II, LLC (1815); Limetree Bay Refining, LLC (8671); Limetree Bay Refining Operating, LLC (9067); Limetree Bay Refining Marketing, LLC (9222). The Debtors’ mailing address is Limetree Bay Services, LLC, 11100 Brittmoore Park Drive, Houston, TX 77041.

⁵ Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Bid Procedures Order, Bidding Procedures, *Debtors’ Emergency Motion to Amend Milestones and Bid Procedures Deadlines* [Doc. No. 565], or the Bid Procedures Amendment Order, as applicable.

⁶ Unless otherwise defined herein, capitalized terms used in the summary shall have the meanings ascribed to them in the APA. All section references in the summary shall refer to the referenced section of the APA. The summary does not contain all material terms of the APA; accordingly, interested parties should review the APA in its entirety. In the event of any inconsistency between the summary and the APA, the provisions of the APA shall control.

representations or warranties, except for the representations and warranties expressly set forth in the APA.

Without limiting the foregoing, the Purchased Assets to be acquired as of the Closing Date include: (a) all Improvements; (b) all Parts Inventory; (c) books and records of the Debtors related to the Purchased Assets, subject to Debtors' right to retain copies of pre-Closing books and records; (d) rights to Intellectual Property; (e) all Furniture and Equipment; (f) accounts receivables related to Purchased Assets; (g) rights, claims, causes of action, and insurance recoveries on account of Purchased Assets; and (h) any rights of the Debtors under any bids to acquire any of the Purchased Assets.

Excluded Assets.

Excluded Asset are identified in Section 1.3 of the APA, and include, among other things, (a) cash and cash equivalents, (b) Avoidance Actions and proceeds thereof, (c) certain rights, claims and causes of action identified in Section 1.3(h), (d) certain rights, claims and causes of action under insurance policies as identified in Section 1.3(i), (e) deposits and prepaid charges unrelated to any Purchased Assets, (f) tax refunds/credits unrelated to any Purchased Assets, (g) accounts receivable unrelated to the Purchased Assets, and including the J. Aron Receivables, the BP Receivables, and NRI Receivables, (h) all contract rights under the APA or any other Transaction Document or otherwise relating to the Excluded Assets or Excluded Liabilities, including rights under executory contracts and unexpired leases, and (i) all equity interests of the Debtors or any of their respective Affiliates.

Subject to the provisions of Section 1.4 of the APA, St. Croix may designate Excluded Assets, including executory contracts and unexpired leases, for inclusion in the Purchased Assets without further consideration until the Designation Deadline.

Assumed Liabilities.

None as of Closing, subject to designation of Excluded Liabilities as Assumed Liabilities pursuant to Section 1.4 and terms of the TSA (defined below).

Excluded Liabilities.

All liabilities as of Closing, subject to designation of Excluded Liabilities as Assumed Liabilities pursuant to Section 1.4 and terms of the TSA.

Consideration.

\$33,000,000.00, which is comprised of:

\$20,000,000.00 in cash at the Closing, plus
\$14,000,000.00 (est.) in assumed and avoided liabilities
and expense reimbursement pursuant to the terms of a
transition services agreement, minus
\$1,000,000.00 in St. Croix expense reimbursement.

Executory Contracts and
Unexpired Leases.

None as of Closing, subject to designation of executory contracts and unexpired leases for assumption and assignment under Section 1.4 and terms of the TSA.⁷

Under the terms of the TSA, St. Croix shall be liable for all costs associated with maintaining executory contracts and unexpired leases pending assumption or rejection and any cure costs, if any executory contracts or unexpired leases are ultimately assumed and assigned to St. Croix.

Transition Services.

The St. Croix transaction is predicated upon the Debtors continuing to provide or facilitating services in connection with the operation of the refinery pending St. Croix's designation of operational assets (e.g., permits, contractual rights, etc.) for acquisition. The Debtors shall render the required services pursuant to a transition services agreement (the "TSA") with St. Croix. St. Croix and the Debtors are finalizing the terms of the TSA and shall file a copy of the TSA prior to the Sale Hearing.

Certain material terms of the TSA are set forth in Section 1.4(i).

Sale Hearing.

December 7, 2021, at 4:00 p.m. CT.

Closing.

No later than December 17, 2021, at 5:00 p.m. ET

The Debtors and St. Croix are presently finalizing certain documents pertaining to the APA and transaction, including the TSA; accordingly, pursuant to Exhibit C to this notice, the Debtors are extending the deadline to file such documents under the Bidding Procedures through and including December 3, 2021. Additionally, the Debtors are extending the deadlines associated with the assumption and assignment of executory contracts and unexpired leases to comport with the terms of the APA.

⁷ St. Croix does not seek the assumption or assignment of any executory contracts or unexpired leases on the Closing Date under the APA; rather, under Section 1.4 of the APA, St. Croix reserves the right to designate any executory contracts or unexpired leases for assumption and assignment at any time prior to the Designation Deadline. The assumption and assignment of any contracts under the APA is premised upon satisfaction of the requirements of Section 365 of the Bankruptcy Code. To comport with the APA, the Debtors are extending the dates and deadlines associated with the assumption and assignment of executory contracts and unexpired leases under the Bid Procedures to the Designation Deadline.

II. Summary of Back-up Bids

Sabin Metal Corporation (“**Sabin**”) and Bay, Ltd. (“**Bay**”) are the Back-up Bidders.

The bids presented by Sabin (the “**Sabin Bid**”) and Bay (the “**Bay Bid**”) and, together with the Sabin Bid, the “**Back-up Bids**”) are piecemeal bids for the acquisition and/or liquidation of the subject assets.⁸ The following is a summary of the principal terms of the Back-up Bids, which remain subject to final negotiations:

A. The Sabin Bid

<u>Purchased Assets.</u>	Catalyst
<u>Excluded Assets.</u>	All assets of the Debtors, excluding the Catalyst.
<u>Assumed Liabilities.</u>	None.
<u>Excluded Liabilities.</u>	All liabilities of the Debtors.
<u>Consideration.</u>	<p>\$15,122,047.00, which is payable in two installments—</p> <p>(i) 50% six (6) weeks after completion of sampling of the catalyst (approximately five (5) months post-closing) and</p> <p>(ii) 50% upon sale of the metals recovered from the catalyst (approximately eight (8) months post-closing).</p> <p><u>Caveat:</u> The consideration is an <u>estimate</u> of total recoveries from the processing of the catalyst <u>net</u> of processing costs and, as such, may vary depending upon, among other things, the total amount and condition of the catalyst, the amounts of precious metals recovered from the catalyst and the market value of the recovered precious metals at the time of the sale. There is no minimum consideration under the Sabin Bid. The above-described consideration is not the same as the value the Debtors ascribe to the bid, which must be adjusted to include factors such as the uncertainty in total recovery, the Debtors’ cash flow needs, and the time-value of money.</p>
<u>Executory Contracts and Unexpired Leases.</u>	None
<u>Closing.</u>	TBD

⁸ The consideration set forth in the summary of Back-up Bids is subject to certain offsets and adjustments under the proposed transaction, including, without limitation, adjustments to reflect the risks of recovery and present value of the proposed payments over time. As such, the Debtors are not representing that the stated consideration is the net value of the Back-up Bids to the estates or that the estates are guaranteed to receive the estimated consideration.

B. The Bay Bid

Purchased Assets.

All tangible personal property assets of the Debtors, excluding the Catalyst, subject to adjustment prior to Closing.

Excluded Assets.

All assets of the Debtors, other than Purchased Assets, including the Catalyst, real property, and intangible personal property assets; *provided* that Bay retains the rights to add or remove certain items from the Purchased Assets without further consideration.

Assumed Liabilities.

Limited assumption of liabilities, including Cure Amounts and certain adequate assurance payments related to any assumed and assigned contracts or leases; transfer taxes; and certain liabilities traceable to Purchaser's conduct.

Excluded Liabilities.

All other liabilities of the Debtors.

Consideration.

An amount up to **\$24,760,000.00**, which is comprised of:

\$3,200,000.00 in cash at the Closing, plus

55% of net proceeds in excess of \$3,000,000, not to exceed \$21,560,000, from the liquidation of non-scrap assets, including equipment, inventory and rolling stock, subject to certain exclusions.

In addition to the foregoing, in the event that Bay is permitted to draw upon the USVI Letter of Credit, Bay agrees to pay Debtors 50% of any proceeds after deducting the expenses of removing Hazardous Materials, up to \$3 million. This recovery is, however, contingent on events outside the Debtors' control.

The Debtors anticipate that the consideration will be paid over a period of three (3) years following the closing date.

Caveat: The consideration is an estimate of recoveries from the liquidation of Purchased Assets, subject to certain exclusions, and, as such, the ultimate consideration may vary depending upon the liquidation values of the subject Purchased Assets. Further, the net consideration is dependent upon the payment of certain costs and expenses associated with the removal of the Purchased Assets, which are unknown and, as such, not factored into the gross consideration stated herein. Accordingly, the above-described consideration is not the same as the value the Debtors ascribe to the bid, which must be adjusted to include those expenses and other factors such as the uncertainty in

total recovery, the Debtors' cash flow needs, and the time value of money.

Executory Contracts and <u>Unexpired Leases.</u>	TBD
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<u>Closing.</u>	TBD
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